

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF GEORGIA
BRUNSWICK DIVISION

UNITED STATES OF AMERICA

v.

MACK DEVON KNIGHT

) INDICTMENT NO.

)

) 18 U.S.C. § 1343

) Wire Fraud

)

) 18 U.S.C. § 1001(a)(3)

) False Document

)

) 18 U.S.C. § 1014

) False Statement on Loan

) Application

)

) 18 U.S.C. § 1957

) Monetary Transaction of

) Criminally Derived Property

CR221-0043

FILED
U.S. DISTRICT COURT
2021 OCT -5 P 8:04
CLERK
SO. DIST. OF GA.

THE GRAND JURY CHARGES THAT:

At times relevant to this Indictment:

Background

1. The Coronavirus Aid, Relief, and Economic Security ("CARES") Act was a federal law enacted in or about March 2020 designed to provide emergency financial assistance to the millions who are suffering the economic effects caused by the COVID-19 pandemic.

2. Among other relief efforts, the United States sought to provide financial support to eligible businesses that could be used to offset certain business expenses.

3. Defendant MACK DEVON KNIGHT fraudulently sought and received over one hundred thousand dollars in relief payments by making false and fraudulent representations to the Small Business Administration ("SBA").

The Defendant and His Businesses

4. **KNIGHT** was an individual residing in Camden County, Georgia, in the Brunswick Division of the Southern District of Georgia. **KNIGHT** held himself out as a pastor, mortician, restaurateur, and tax preparer.

5. “Knight’s Tax Services, Inc.” was a domestic profit corporation that was registered with the State of Georgia beginning on or around February 6, 2021. “Knight’s Tax Services, Inc.” was registered as having a principal office address in Camden County, Georgia, in the Brunswick Division of the Southern District of Georgia. **KNIGHT** was the corporation’s registered agent.

6. “Daddy Earl’s Kitchen, Inc.” was a domestic profit corporation that was registered with the State of Georgia beginning on or around March 9, 2021. “Daddy Earl’s Kitchen, Inc.” was registered as having a principal office address in Camden County, Georgia, in the Brunswick Division of the Southern District of Georgia. **KNIGHT** was the corporation’s registered agent.

The Coronavirus Aid, Relief, and Economic Security Act

7. The SBA was an executive branch agency of the United States government that provided support to entrepreneurs and small businesses. The SBA was headquartered in Washington, DC and maintained its computer servers outside of the State of Georgia. The SBA’s mission was to maintain and strengthen the nation’s economy by enabling the establishment and viability of small businesses and by assisting in the economic recovery of communities after disasters.

8. As part of this effort, the SBA enabled and provided for loans through banks, credit unions, and other lenders. These loans have government-backed

guarantees. In addition, the SBA provided loans that came directly from the U.S. Government.

9. One source of relief provided by the CARES Act was the authorization for the SBA to provide Economic Injury Disaster Loans (“EIDL”) to eligible small businesses experiencing substantial financial disruption due to the COVID-19 pandemic.

10. In order to obtain an EIDL, a qualifying business had to submit an online application to the SBA and provide information about its operations, such as the number of employees, gross revenues for the twelve-month period preceding the disaster, and the cost of goods the business sold in the twelve-month period preceding the disaster. In the case of EIDLs, the twelve-month period was that preceding January 31, 2020. The applicant also had to certify that all the information in its application was true and correct to the best of the applicant’s knowledge.

11. EIDL applications were submitted directly to the SBA online at <https://covid19relief.sba.gov/#/> and processed by the agency with support from a government contractor, Rapid Finance. The amount of each loan was determined based, in part, on the information provided by the application about employment, revenue, and cost of goods, as described above. Any funds issued under an EIDL were issued directly by the SBA.

12. EIDL funds could be used for payroll expenses, sick leave, production costs, and business obligations, such as debts, rent, and mortgage payments.

COUNTS ONE AND TWO

Wire Fraud

18 U.S.C. §§ 1343 and 2

13. The Grand Jury re-alleges and incorporates by reference the allegations in paragraphs 1 through 12 of this Indictment.

14. Beginning on or about February 2021 and continuing until on or about March 2021, in the Southern District of Georgia, and elsewhere, the Defendant.

MACK DEVON KNIGHT

did knowingly devise and intend to devise a scheme and artifice to defraud the United States government, and to obtain money and property, by means of materially false and fraudulent pretenses, representations, and promises.

The Object of the Scheme

15. The object of the scheme described in Paragraph 14 for **KNIGHT** was to unjustly enrich himself by obtaining EIDL proceeds under false and fraudulent pretenses, including by making false statements about his businesses' gross revenues for the twelve-month period prior to the date of the disaster.

Manner and Means

16. It was part of the scheme that, on or about the dates set forth below, **KNIGHT** submitted, or caused to be submitted, multiple electronic applications for EIDLs from the SBA at <https://covid19relief.sba.gov/#/>:

- a. On or about February 18, 2021, **KNIGHT** submitted, or caused to be submitted, an electronic application for an EIDL from the SBA ("EIDL Application -3546") on behalf of Knight's Tax Services. In connection with EIDL Application -3546, **KNIGHT** falsely affirmed that the

business had \$387,000 in gross revenues in the twelve months prior to January 31, 2020.

- b. On or about March 12, 2021, **KNIGHT** submitted, or caused to be submitted, an electronic application for an EIDL from the SBA (“EIDL Application -3480”) on behalf of Daddy Earl’s Kitchen. In connection with EIDL Application -3480, **KNIGHT** falsely affirmed that the business had \$287,000 in gross revenues in the twelve months prior to January 31, 2020.

17. On or about March 8, 2021, in reliance on **KNIGHT**’s false representations in EIDL Application -3546 on behalf of Knight’s Tax Services, the SBA deposited \$149,900 into a bank account in Knight’s Tax Services’ name at “Bank 1” in the form of an EIDL.

The Wirings

18. On or about the dates set forth below, in Camden County, in the Southern District of Georgia, **KNIGHT**, for the purpose of executing the scheme described above, and attempting to do so, caused to be transmitted by means of wire communication in interstate commerce the signals and sounds described below for each count, each transmission constituting a separate count:

COUNT	APPROXIMATE DATE	DESCRIPTION
1	February 18, 2021	Online submission of EIDL Application -3546 on behalf of Knight’s Tax Services
2	March 12, 2021	Online submission of EIDL Application -3480 on behalf of Daddy Earl’s Kitchen

All in violation of Title 18, United States Code, Sections 1343 and 2.

COUNT THREE

False Document

18 U.S.C. §§ 1001(a)(3) and 2

19. The Grand Jury re-alleges and incorporates by reference the allegations in paragraphs 1 through 12 of this Indictment.

20. On or about March 1, 2021, in the Southern District of Georgia, the Defendant

MACK DEVON KNIGHT

did willfully and knowingly make and use a false writing and document, knowing the same to contain a materially false, fictitious, and fraudulent statement and entry in a matter within the jurisdiction of the executive branch of the Government of the United States, by transmitting to the SBA a bank document that had been altered to reflect that Knight's Tax Services had opened its account with "Bank 1" on February 2, 2019, when in fact, as **KNIGHT** then and there well knew, the transmitted bank document had been altered and that Knight's Tax Services' account with Bank 1 was not opened until 2021.

All in violation of Title 18, United States Code, Section 1001(a)(3) and 2.

COUNT FOUR

False Statement on Loan Application

18 U.S.C. §§ 1014 and 2

21. The Grand Jury re-alleges and incorporates by reference the allegations in paragraphs 1 through 12 of this Indictment.

22. On or about March 2, 2021, in the Southern District of Georgia, the Defendant

MACK DEVON KNIGHT

did knowingly make a false statement for the purpose of influencing the action of the SBA, in connection with an EIDL application and loan in that **KNIGHT** entered into a loan agreement with the SBA on behalf of Knight's Tax Services in which **KNIGHT** certified that Knight's Tax Services' EIDL application and supplementary submissions were true, correct, and complete, when in fact, as **KNIGHT** then and there well knew, Knight's Tax Services' EIDL application reported a false gross revenue figure and that **KNIGHT** had submitted a falsified bank document as a supplementary submission to the SBA.

All in violation of Title 18, United States Code, Sections 1014 and 2.

COUNT FIVE

Monetary Transaction of Criminally Derived Property
18 U.S.C. §§ 1957 and 2

23. The Grand Jury re-alleges and incorporates by reference the allegations in paragraphs 1 through 12 of this Indictment.

24. On or about March 18, 2021, in the Southern District of Georgia, and elsewhere, the Defendant

MACK DEVON KNIGHT

did knowingly engage and attempt to engage in a monetary transaction of wiring \$46,425 from “Bank 1” to “Car Dealer 1” in exchange for a Mercedes Benz S-Class sedan, by, through, and to a financial institution, affecting interstate commerce, in criminally derived property of a value greater than \$10,000, such property having been derived from a specified unlawful activity, to wit, the proceeds of making a false statement on a loan application, in violation of Title 18, United States Code, Section 1014.

All in violation of Title 18, United States Code, Sections 1957 and 2.

FORFEITURE ALLEGATION

The allegations contained in Counts One through Five this Indictment are hereby re-alleged and incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Sections 981(a)(1)(C), 982(a) and Title 28, United States Code, Section 2461(c). Upon conviction of any of the Title 18 offenses set forth in Counts One and Two of this Indictment, the Defendant **MACK DEVON KNIGHT** shall forfeit to the United States pursuant to Title 18, United States Code, Section 981(a)(1)(C), any property, real or personal, which constitutes or is derived from proceeds traceable to the charged offense. Additionally, upon conviction of any of the title 18 offenses set forth in Counts Three through Five of this Indictment, the Defendant **MACK DEVON KNIGHT** shall forfeit to the United States pursuant to Title 18, United States Code, Section 982(a), real or personal, that constitutes or is derived, directly or indirectly, from gross proceeds traceable to the commission of the offense(s).

If any of the property described above, as a result of any act or omission of the Defendant:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;
- d. has been substantially diminished in value; or
- e. has been commingled with other property that cannot be divided without difficulty,

the United States of America shall be entitled to forfeiture of substitute property pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c).

A True Bill.



Handwritten signature of David H. Estes in blue ink.

David H. Estes
Acting United States Attorney

Handwritten signature of Jonathan A. Porter in blue ink.

Jonathan A. Porter
Assistant United States Attorney
*Lead Counsel

Handwritten signature of E. Greg Gilluly, Jr. in blue ink.

E. Greg Gilluly, Jr.
Assistant United States Attorney
Deputy Chief, Criminal Division

Handwritten signature of Patrick J. Schwedler in blue ink.

Patrick J. Schwedler
Assistant United States Attorney
*Co-lead Counsel